

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3691

ANSWERED ON:07.04.2003

ECONOMY DEPEND ON PERFORMANCE OF AGRICULTURE

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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether overall growth of Indian economy has depended much upon the performance of agriculture;
- (b) if so, whether over the years, not much public investment has been made on its development;
- (c) if so, the facts in this regard and the reasons therefor; and
- (d) the steps being taken by the Government to give due attention towards the investment in this sector?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): The overall growth of the economy, measured in terms of GDP, depends on growth of both the agricultural and non-agricultural sectors. Though the share of Agriculture Sector in GDP has fallen to 22 per cent in 2001-02, it is significant enough to affect the overall growth of the economy.

(b) to (d): The Gross Capital Formation (GCF) from public investment in agriculture in real terms during the years from 1998-99 are as under:

TABLE

Public Sector GCF in Agriculture (Rs.Crore at 1993-94 prices)

Year GCF

1998-99	3870
1999-2000	4222
2000-01	3919
2001-02	4794

Public investment in agriculture consists mainly of expenditure on irrigation projects. As may be seen from the above table the declining trend of public investment was reversed in the year 2001-02. The investment by the public sector helps in the augmentation of irrigation and other facilities by the farmers. Consequently, the private investment in agriculture which is predominantly due to investment by the individual farmers has been on the increase over the years. The total GCF consisting of both public and private sector investments in agriculture has therefore increased from Rs.14,895 Crore in 1998-99 to 18,057 Crore in 2001-02.